

Working Together

Taxpayer's Rights & Responsibilities

As employees of the Michigan Department of Treasury, we will comply with Michigan law by providing:

- Prompt, fair, and courteous service.
- Confidentiality.
- Timely processing of your return.
- Copies of tax returns and related documents from your file.

If we fail to provide this service, you have the right to file a complaint. Be sure to note the name of the person you are dealing with so your complaint can be handled properly.

As a taxpayer it is your responsibility to:

- File your returns on time with the correct payment (if necessary).
- Make sure your returns are correct, no matter who prepares them for you.

The Billing Process

If we believe you owe additional tax, these are the steps we will take.

1. We will send you a letter stating the amount we believe is due and why it is due.
If you agree with the amount due, you should pay it immediately. If you have questions or disagree with the amount due, contact us right away. Use the address or phone number in the letter.
2. Thirty days after the letter, we will issue a *Notice of Intent to Assess* for the taxes due. If you disagree with the amount due, you may request an informal conference within 30 days of this notice (see *The Appeals Process*).
3. Thirty days after the *Notice of Intent to Assess*, we will issue a *Bill for Taxes Due* (final assessment), unless we have received correcting information.

At any time during the billing process, if you can't pay all the taxes due, you may contact the Collection Division at the phone number on the notice to request monthly payments.

If you don't make payment or payment arrangements within 35 days of the final assessment:

4. We may take enforcement actions that include intercepting your paycheck or levying your bank accounts.

We will also...

- Place liens on your home, business or personal property to protect the state's interest.
- Refer the account to Treasury Field staff or Michigan Accounts Receivable Collection System (MARCS) to actively pursue collection of the debt.
- Intercept any money the state owes you (such as an income tax refund) and apply it to your debt.
- Apply penalty and interest for as long as there is a tax balance. (All payments are applied first to interest, then to penalty, then to tax.)

"Jeopardy assessments" for extreme cases. If, at any time, we believe you plan to sell and hide property to avoid seizure, we will issue a jeopardy assessment and liens that will freeze your assets. This means you will not be able to withdraw money from your bank accounts or transfer the title of any of your property. If you wish to sell your property, we will send a representative to the sale to accept payment of your liability. The actions of levy and jeopardy assessment are severe. Please give your prompt attention to resolving your debt when contacted.

The Appeals Process

At any time during the billing process, you have the right to appeal any billing. These are the steps in the appeals process:

1. You request an informal conference with a Department of Treasury referee within 30 days of receiving a *Notice of Intent to Assess*. Include the following in your request:
 - The amount of tax you are disputing.
 - An explanation of your complaint.
 - Payment of any portion of the tax bill that you are not disputing.

This document is intended only to help you understand your rights and responsibilities as a taxpayer; it does not take the place of law.

2. A hearing date and place is set that is convenient for all parties.
 - You may bring an attorney or other representative with you or have someone represent you in your absence.
 - You may record the hearing, but please notify us first.
3. The referee will make a recommendation to the State Treasurer who will review your file, make a final decision and notify you.
4. You may appeal the State Treasurer's decision to either:
 - The Michigan Tax Tribunal within 35 days, which requires payment of the undisputed amount.
 - or**
 - The Court of Claims (Ingham Circuit Court) within 90 days, which requires payment of the full amount of the assessment.
5. Decisions of the Tax Tribunal or the Court of Claims may be appealed in a timely fashion to the Court of Appeals and ultimately to the Michigan Supreme Court.

Waiving Penalty

Penalty on an assessment will be waived if you can show reasonable cause for your failure to pay on time. Reasonable cause may be serious illness or death, a fire or natural disaster, or criminal acts against you. The penalty waiver will apply only to periods directly affected by the circumstances. Requests for waiver of penalty must be made in writing.

Claiming a Refund

Many people have Michigan income taxes withheld from their wages. If you don't have taxes withheld or owe more than \$500 on your annual return, you must estimate your income tax and pay it quarterly. If you don't, you may be billed for additional penalty and interest.

If you believe you have overpaid taxes and are due a refund, you must file a tax return (MI-1040) to claim your refund. You have four years from the date the return is due (April 15) to claim your refund.

Income tax refund claims filed on or before April 15 for the preceding tax year which are accurate and complete are usually processed by June 1. Interest is added to the refund beginning 45 days after the claim is filed, or 45 days after the due date established by law for filing the return, whichever is later.

Disclosure

The employees of the Department of Treasury honor your right to privacy. Disclosure of tax information to any person other than the taxpayer must be authorized by the taxpayer. A Power of Attorney (Form 151) can be downloaded from the Treasury Web site. Your confidential tax information will be shared with other government agencies as required by law.

Tell Us Who You Are

It is important to include your name and Social Security number or business identification number on all correspondence and payments. Verify the accuracy of this information before you file a return or write to us.

We Are Here to Help

We make every effort to make tax forms and instructions clear and easy to follow. Forms are available on the Web (www.michigan.gov/treasury) or by phone (1-800-827-4000). If you have questions, please contact the appropriate tax unit at the number below. For questions about tax debts that have been assessed, contact the Collection Division.

Individual Taxes	1-800-827-4000
Sales, Use and Withholding Taxes	517-636-4730
Single Business Tax	517-636-4700
Motor Fuel Taxes	517-636-4600
Collection Division	517-636-5265

If you have a problem with your tax account that you have tried to correct through these channels without success, write to:

The Taxpayer Advocate
Michigan Department of Treasury
Treasury Building
Lansing, MI 48922